



General Assembly

February Session, 2002

Amendment

LCO No. 2227



Offered by:

REP. BELDEN, 113th Dist.
REP. BERNHARD, 136th Dist.
REP. BLACKWELL, 12th Dist.
REP. BOUCHER, 143rd Dist.
REP. CAFERO, 142nd Dist.
REP. CARON, 44th Dist.
REP. CARSON, 108th Dist.
REP. CHAPIN, 67th Dist.
REP. CLEARY, 80th Dist.
REP. COLLINS, 117th Dist.
REP. D'AMELIO, 71st Dist.
REP. DANDROW, 30th Dist.
REP. DELGOBBO, 70th Dist.
REP. DICKMAN, 132nd Dist.
REP. FAHRBACH, 61st Dist.
REP. FARR, 19th Dist.
REP. FEDELE, 147th Dist.
REP. FERRARI, 62nd Dist.
REP. FLAHERTY, 68th Dist.
REP. FLOREN, 149th Dist.
REP. FREY, 111th Dist.
REP. GIBBONS, 150th Dist.
REP. GOOGINS, 31st Dist.
REP. GREENE, 105th Dist.
REP. HAMZY, 78th Dist.

REP. HARKINS, 120th Dist.
REP. HEAGNEY, 16th Dist.
REP. KLARIDES, 114th Dist.
REP. METZ, 101st Dist.
REP. MILLER, 122nd Dist.
REP. MINER, 66th Dist.
REP. NYSTROM, 46th Dist.
REP. O'NEILL, 69th Dist.
REP. PISCOPO, 76th Dist.
REP. POWERS, 151st Dist.
REP. PRELLI, 63rd Dist.
REP. ROWE, 123rd Dist.
REP. RYAN, 141st Dist.
REP. SAN ANGELO, 131st Dist.
REP. SAWYER, 55th Dist.
REP. SCRIBNER, 107th Dist.
REP. SHEA, 112th Dist.
REP. STONE, 134th Dist.
REP. STRIPP, 135th Dist.
REP. TYMNIAK, 133rd Dist.
REP. URBAN, 43rd Dist.
REP. WARD, 86th Dist.
REP. WASSERMAN, 106th Dist.
REP. WINKLER, 41st Dist.

To: Subst. Senate Bill No. 37

File No. 3

Cal. No.

"AN ACT CONCERNING THE RATES OF STATE CIGARETTE TAXES."

1 After the last section, insert the following:

2 "Sec. 4. (NEW) (*Effective from passage*) Any operator of a community
3 antenna television system who provides free air time for
4 advertisements that are part of a smoking cessation program funded
5 through the Tobacco & Health Trust Fund shall receive a credit against
6 the tax imposed under section 12-256 of the general statutes. Such
7 credit shall be determined by a schedule adopted by the board of
8 trustees of the Tobacco & Health Trust Fund, in consultation with the
9 Commissioner of Revenue Services, provided such credit shall not
10 exceed ten thousand dollars.

11 Sec. 5. Subdivision (2) of section 12-407 of the general statutes, as
12 amended by section 2 of public act 01-109 and section 1 of public act
13 01-6 of the June special session, is repealed and the following is
14 substituted in lieu thereof (*Effective July 1, 2003*):

15 (2) "Sale" and "selling" mean and include: (a) Any transfer of title,
16 exchange or barter, conditional or otherwise, in any manner or by any
17 means whatsoever, of tangible personal property for a consideration;
18 (b) any withdrawal, except a withdrawal pursuant to a transaction in
19 foreign or interstate commerce, of tangible personal property from the
20 place where it is located for delivery to a point in this state for the
21 purpose of the transfer of title, exchange or barter, conditional or
22 otherwise, in any manner or by any means whatsoever, of the property
23 for a consideration; (c) the producing, fabricating, processing, printing
24 or imprinting of tangible personal property for a consideration for
25 consumers who furnish either directly or indirectly the materials used
26 in the producing, fabricating, processing, printing or imprinting,
27 including, but not limited to, sign construction, photofinishing,
28 duplicating and photocopying; (d) the furnishing and distributing of
29 tangible personal property for a consideration by social clubs and

30 fraternal organizations to their members or others; (e) the furnishing,
31 preparing, or serving for a consideration of food, meals or drinks; (f) a
32 transaction whereby the possession of property is transferred but the
33 seller retains the title as security for the payment of the price; (g) a
34 transfer for a consideration of the title of tangible personal property
35 which has been produced, fabricated or printed to the special order of
36 the customer, or of any publication, including but not limited to, sign
37 construction, photofinishing, duplicating and photocopying; (h) a
38 transfer for a consideration of the occupancy of any room or rooms in a
39 hotel or lodging house for a period of thirty consecutive calendar days
40 or less; (i) the rendering of certain services for a consideration,
41 exclusive of such services rendered by an employee for the employer,
42 as follows: (A) Computer and data processing services, including, but
43 not limited to, time, programming, code writing, modification of
44 existing programs, feasibility studies and installation and
45 implementation of software programs and systems even where such
46 services are rendered in connection with the development, creation or
47 production of canned or custom software or the license of custom
48 software, and exclusive of services rendered in connection with the
49 creation, development hosting or maintenance of all or part of a web
50 site which is part of the graphical, hypertext portion of the Internet,
51 commonly referred to as the World-Wide Web, (B) credit information
52 and reporting services, (C) services by employment agencies and
53 agencies providing personnel services, (D) private investigation,
54 protection, patrol work, watchman and armored car services, exclusive
55 of services of off-duty police officers and off-duty firefighters, (E)
56 painting and lettering services, (F) photographic studio services, (G)
57 telephone answering services, (H) stenographic services, (I) services to
58 industrial, commercial or income-producing real property, including,
59 but not limited to, such services as management, electrical, plumbing,
60 painting and carpentry and excluding any such services rendered in
61 the voluntary evaluation, prevention, treatment, containment or
62 removal of hazardous waste, as defined in section 22a-115, or other
63 contaminants of air, water or soil, provided income-producing
64 property shall not include property used exclusively for residential

65 purposes in which the owner resides and which contains no more than
66 three dwelling units, or a housing facility for low and moderate
67 income families and persons owned or operated by a nonprofit
68 housing organization, as defined in subsection (29) of section 12-412,
69 (J) business analysis, management, management consulting and public
70 relations services, excluding (i) any environmental consulting services,
71 and (ii) any training services provided by an institution of higher
72 education licensed or accredited by the Board of Governors of Higher
73 Education pursuant to section 10a-34, (K) services providing "piped-in"
74 music to business or professional establishments, (L) flight instruction
75 and chartering services by a certificated air carrier on an aircraft, the
76 use of which for such purposes, but for the provisions of subsection (4)
77 of section 12-410 and subsection (12) of section 12-411, would be
78 deemed a retail sale and a taxable storage or use, respectively, of such
79 aircraft by such carrier, (M) motor vehicle repair services, including
80 any type of repair, painting or replacement related to the body or any
81 of the operating parts of a motor vehicle, (N) motor vehicle parking,
82 including the provision of space, other than metered space, in a lot
83 having thirty or more spaces, excluding (i) space in a seasonal parking
84 lot provided by a person who is exempt from taxation under this
85 chapter pursuant to subsection (1), (5) or (8) of section 12-412, (ii) space
86 in a parking lot owned or leased under the terms of a lease of not less
87 than ten years' duration and operated by an employer for the exclusive
88 use of its employees, (iii) valet parking provided at any airport, (iv)
89 space in municipally-operated railroad parking facilities in
90 municipalities located within an area of the state designated as a
91 severe nonattainment area for ozone under the federal Clean Air Act,
92 or space in a railroad parking facility in a municipality located within
93 an area of the state designated as a severe nonattainment area for
94 ozone under the federal Clean Air Act owned or operated by the state
95 on or after April 1, 2000, (O) radio or television repair services, (P)
96 furniture reupholstering and repair services, (Q) repair services to any
97 electrical or electronic device, including, but not limited to, equipment
98 used for purposes of refrigeration or air-conditioning, (R) lobbying or
99 consulting services for purposes of representing the interests of a client

100 in relation to the functions of any governmental entity or
101 instrumentality, (S) services of the agent of any person in relation to
102 the sale of any item of tangible personal property for such person,
103 exclusive of the services of a consignee selling works of art, as defined
104 in subsection (b) of section 12-376c, or articles of clothing or footwear
105 intended to be worn on or about the human body other than (i) any
106 special clothing or footwear primarily designed for athletic activity or
107 protective use and which is not normally worn except when used for
108 the athletic activity or protective use for which it was designed, and (ii)
109 jewelry, handbags, luggage, umbrellas, wallets, watches and similar
110 items carried on or about the human body but not worn on the body in
111 the manner characteristic of clothing intended for exemption under
112 subdivision (47) of section 12-412, under consignment, exclusive of
113 services provided by an auctioneer, (T) locksmith services, (U)
114 advertising or public relations services, including layout, art direction,
115 graphic design, mechanical preparation or production supervision, not
116 related to the development of media advertising or cooperative direct
117 mail advertising, (V) landscaping and horticulture services, (W)
118 window cleaning services, (X) maintenance services, (Y) janitorial
119 services, (Z) exterminating services, (AA) swimming pool cleaning and
120 maintenance services, (BB) renovation and repair services as set forth
121 in this subparagraph, to other than industrial, commercial or
122 income-producing real property: Paving of any sort, painting or
123 staining, wallpapering, roofing, siding and exterior sheet metal work,
124 (CC) miscellaneous personal services included in industry group 729
125 in the Standard Industrial Classification Manual, United States Office
126 of Management and Budget, 1987 edition, or U.S. industry 532220,
127 812191, 812199 or 812990 in the North American Industrial
128 Classification System United States Manual, United States Office of
129 Management and Budget, 1997 edition, exclusive of (i) services
130 rendered by massage therapists licensed pursuant to chapter 384a, and
131 (ii) services rendered by an electrologist licensed pursuant to chapter
132 388, (DD) any repair or maintenance service to any item of tangible
133 personal property including any contract of warranty or service related
134 to any such item, (EE) business analysis, management or managing

135 consulting services rendered by a general partner, or an affiliate
136 thereof, to a limited partnership, provided (i) that the general partner,
137 or an affiliate thereof, is compensated for the rendition of such services
138 other than through a distributive share of partnership profits or an
139 annual percentage of partnership capital or assets established in the
140 limited partnership's offering statement, and (ii) the general partner, or
141 an affiliate thereof, offers such services to others, including any other
142 partnership. As used in subparagraph (EE)(i) "an affiliate of a general
143 partner" means an entity which is directly or indirectly owned fifty per
144 cent or more in common with a general partner, and (FF)
145 notwithstanding the provisions of section 12-412, except subsection
146 (87) thereof, patient care services, as defined in subsection (29) of this
147 section by a hospital, except that "sale" and "selling" does not include
148 such patient care services rendered during the period commencing
149 July 1, 2001, and ending June 30, 2003; (j) the leasing or rental of
150 tangible personal property of any kind whatsoever, including, but not
151 limited to, motor vehicles, linen or towels, machinery or apparatus,
152 office equipment and data processing equipment, provided for
153 purposes of this subdivision and the application of sales and use tax to
154 contracts of lease or rental of tangible personal property, the leasing or
155 rental of any motion picture film by the owner or operator of a motion
156 picture theater for purposes of display at such theater shall not
157 constitute a sale within the meaning of this subsection; (k) the
158 rendering of telecommunications service, as defined in subsection (26)
159 of this section, for a consideration on or after January 1, 1990, exclusive
160 of any such service rendered by an employee for the employer of such
161 employee, subject to the provisions related to telecommunications
162 service in accordance with section 12-407a; [(l) the rendering of
163 community antenna television service, as defined in subsection (27) of
164 this section, for a consideration on or after January 1, 1990, exclusive of
165 any such service rendered by an employee for the employer of such
166 employee; (m)] (l) the transfer for consideration of space or the right to
167 use any space for the purpose of storage or mooring of any
168 noncommercial vessel, exclusive of dry or wet storage or mooring of
169 such vessel during the period commencing on the first day of

170 November in any year to and including the thirtieth day of April of the
171 next succeeding year; [(n)] (m) the sale for consideration of naming
172 rights to any place of amusement, entertainment or recreation within
173 the meaning of subdivision (3) of section 12-540; [(o)] (n) the transfer
174 for consideration of a prepaid telephone calling service, as defined in
175 subsection (34) of this section, and the recharge of a prepaid telephone
176 calling service, provided, if the sale or recharge of a prepaid telephone
177 calling service does not take place at the retailer's place of business and
178 an item is shipped by the retailer to the customer, the sale or recharge
179 shall be deemed to take place at the customer's shipping address, but,
180 if such sale or recharge does not take place at the retailer's place of
181 business and no item is shipped by the retailer to the customer, the sale
182 or recharge shall be deemed to take place at the customer's billing
183 address or the location associated with the customer's mobile
184 telephone number. Wherever in this chapter reference is made to the
185 sale of tangible personal property or services, it shall be construed to
186 include sales described in this subsection, except as may be specifically
187 provided to the contrary."